

## **Remarks**

### **Status of the Claims**

The Office objected to Claim 55 as improperly dependent;

The Office objected to Claim 24 as independent, but still including dependent claim wording;

The Office rejected Claims 52 and 54-56 under 35 U.S.C. § 102(b) as anticipated by U.S. Patent 5,778,368 ("*Hogan*");

The Office rejected Claims 2-23, 26, and 28-34 under 35 U.S.C. § 103(a) as obvious in view of *Hogan* and U.S. Publication 2001/0032189 A1 ("*Powell*");

The Office rejected Claims 24, 25, and 36-51 under 35 U.S.C. § 103(a) as obvious in view of *Hogan* and U.S. Patent 6,061,691 ("*Fox*").

## **Remarks**

### **Objections due to informalities**

Applicant has canceled Claim 55.

Applicant has amended Claim 24 to delete the dependent claim wording, as suggested by the Office, and submits that the corresponding objection has been cured.

### **Rejection of Claims 52 and 54-56 under 35 U.S.C. § 102(b) as anticipated by Hogan**

Applicant observes that the Office previously indicated that Claims 52 and 54-56 were allowable. See Office Action mailed 11/26/2003, paragraph 6. On taking up an application for patent, the Office is required to make a thorough investigation of the available prior art relating to the subject matter of the claimed invention. See 37 CFR 1.104; MPEP 707. The examination shall be complete with respect both to compliance of the application or patent under reexamination with the applicable statutes and rules and to the patentability of the invention as claimed, as well as with respect to matters of form, unless otherwise indicated. See 37 CFR 1.104; MPEP 707. Rejecting a claim already noted as allowable is unusual, and should be done only after great care. See MPEP 706.04. The reference in the present rejection, *Hogan*, was considered by the Office in the earlier action. Accordingly, Applicant submits that Claims 52 and 54-56 have already been indicated as allowable over the cited art, and urges that the rejections be withdrawn.

Further, *Hogan* does not teach every limitation of Claims 52 and 54-56, as required for *Hogan* to anticipate the claims. See MPEP 2131. Specifically, Claims 52 and 54 include a limitation that fees be determined and allocated according to a specific time-based weighting. The Office asserted that *Hogan's* mention of prices anticipated this limitation. Applicant respectfully traverses this assertion: the mention of a price does not teach the specific determination recited in Claims 52 and 54. The claimed fee determination allows automated fee determinations, with particular consideration allowed for relative demand for modules and age of modules, and incentives for early participation in the program. There is no teaching in *Hogan* of such a system. Accordingly, *Hogan* does not anticipate Claims 52 and 54. Applicant submits that, as was previously indicated by the Office, Claims 52 and 54 are in condition for allowance.

Claim 54 further adds the limitation to an access condition that indicates whether a module is available for commercialization. The Office asserted that *Hogan's* teaching allowing customers to purchase RTES products anticipated this limitation. Applicant respectfully traverses: in *Hogan*, **every** RTES product is available for commercialization, and hence there is no need for an indication of **whether** a module is available for commercialization. In contrast, Claim 54 recites a limitation that allows each module to have its own commercialization status. There is no such teaching in *Hogan*. Applicant submits that previously presented Claim 54 included indications of "available for commercialization" and "not available for commercialization" (since the indication was "whether ... is available"), but has amended Claim 54 to make that aspect explicit. Since *Hogan* has no teaching or suggestion of such a limitation, *Hogan* does not anticipate Claim 54. Applicant submits that, as was previously indicated by the Office, Claim 54 is in condition for allowance.

Claim 56 includes the limitation that modules be placed in one of three classes: not available for commercialization, available for commercialization, and available for commercialization and higher quality. The Office asserted that *Hogan's* mention of a "quality attribute" anticipated this limitation. Applicant respectfully traverses: in *Hogan*, **every** RTES product is available for commercialization, and consequently *Hogan* has no teaching of the first class listed in the claim limitation. Accordingly, *Hogan* does not teach all the limitations of Claim 56, and consequently does not anticipate Claim 56. Applicant submits that, as was previously indicated by the Office, Claim 56 is in condition for allowance.

**Rejection of Claims 2-23, 26, and 28-34 under 35 U.S.C. § 103(a) as obvious in view of *Hogan* and *Powell***

Claims 2-23 and 26 all share Claim 8 as a common parent claim. Claims 28-34 share Claim 31 as a common parent claim. Applicant observes that the Office previously indicated that Claims 8 and 31 were allowable. See Office Action mailed 11/26/2003, paragraph 6. On taking up an application for patent, the Office is required to make a thorough investigation of the available prior art relating to the subject matter of the claimed invention. See 37 CFR 1.104; MPEP 707. The examination shall be complete with respect both to compliance of the application or patent under reexamination with the applicable statutes and rules and to the patentability of the invention as claimed, as well as with respect to matters of form, unless otherwise indicated. See 37 CFR 1.104; MPEP 707. Rejecting a claim already noted as allowable is unusual, and should be done only after great care. See MPEP 706.04. The primary reference in the present rejection, *Hogan*, was considered by the Office in the earlier action. The secondary reference, *Powell*, was published and available before the mailing of the earlier action. Accordingly, Applicant submits that Claims 8 and 31 have already been indicated as allowable over the cited art, and urges that the rejections be withdrawn. However, in the interest of timely issuance, Applicant has amended Claims 8 and 31 to make clearer the distinction from the cited art.

The combination proposed by the Office does not provide a *prima facie* case of obviousness of Claims 8 and 31 as previously presented or as currently amended. A *prima facie* case of obviousness requires, *inter alia*, that there be some motivation for combining the references, and that the references teach or suggest

every limitation of the claim. See MPEP 2143; MPEP 2131; *Verdergaal Bros. v. Union Oil Company of California*, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987); *Richardson v. Suzuki Motor Company*, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989); MPEP 2142. As discussed below, the Office has provided no motivation other than Applicant's teaching for combining the references and, even if combined, the references do not teach or suggest every element of the claim.

*Powell* involves the communication of information about "raw ideas" between idea owners and prospective users unknown to each other. See *Powell* paragraph 10. If the communication results in a match between idea and user, then a transaction, wholly separate from *Powell's* teachings, might result in a grant of rights to use the idea. In contrast, *Hogan's* teachings concern the distribution of finished software modules, not "raw ideas." In *Hogan*, the acquisition of the finished software is made as part of the system; *Powell* provides only an introduction of the parties. The systems of *Hogan* and *Powell* do not deal with analogous subject matter or work toward similar results or provide similar capabilities. Accordingly, the combination suggested by the Office is nothing more than selection of parts from unrelated art, assembled according to Applicant's claim.

Further, even if combined, the cited art does not teach or suggest all the limitations of Claims 8 and 31. Applicant submits that the limitation to "downloaders having specified characteristics" in previously presented Claims 8 and 31 is not taught or suggested by the art (since *Powell* does not involve any download of ready to use software). However, in the interests of timely issuance, Applicant has deleted that element from the list of alternatives. The remaining elements in the list are not taught or suggested anywhere in the art, as was recognized by the Office in its earlier indication that Claims 8 and 31 were allowable. Applicant submits that Claim 8, and Claims 2-7, 9-23, and 26 depending therefrom, and Claim 31, and Claims 26-31 and 32-34 depending therefrom, are in condition for allowance. See MPEP 2143.03; *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

Claim 6 adds the limitation that the access conditions "comprises permission to modify the DSM and prohibition against distributing modifications anywhere except the module pool." The Office asserted that *Hogan's* mention of "proper protocols" rendered this limitation obvious. Applicant respectfully traverses this assertion: Claim 6 recites a specific limitation imposed on access, which specific limitation is found nowhere in the art. *Hogan's* general mention of a category that might include Applicant's specific claim does not provide teaching of the specific limitation. Accordingly, there is no *prima facie* case of obviousness of Claim 6.

Claims 7 and 30 add the limitation that the "SAC include an indication of whether a software module is available for commercialization." The Office asserted that *Hogan's* teaching allowing customers to purchase RTES products rendered Claims 7 and 30 obvious. Applicant respectfully traverses: in *Hogan*, **every** RTES product is available for commercialization, and hence there is no need for an indication of **whether** a module is available for commercialization. In contrast, Claims 7 and 30 recite a limitation that allows each module to have its own commercialization status. There is no such teaching in *Hogan*. Applicant submits that previously presented Claims 7 and 30 included indications of "available for

commercialization" and "not available for commercialization" (since the indication was "whether ... is available"), but has amended Claims 7 and 30 to make that aspect explicit. Since *Hogan* has no teaching or suggestion of such a limitation, there is no *prima facie* case of obviousness of Claims 7 and 30.

Claims 11 and 19 recite additional limitations to the use of electronic commerce contracting to effect transactions within the claimed system. While *Hogan* mentions purchase of RTES software, *Hogan* has no teaching or suggestion of the specific manner of purchase in Claims 11 and 19. Accordingly, there is no *prima facie* case of obviousness of Claims 11 and 19.

Claim 15 adds the limitation that a downloader must confirm acceptance of download access conditions. The Office asserted that Fig. 4 and the accompanying text in *Hogan* taught such a limitation. Applicant respectfully traverses. There is simply no mention in *Hogan* of any step where a downloader must confirm acceptance of download access conditions as part of a download step, in Fig. 4, the accompanying text, or anywhere else. Accordingly, there is no *prima facie* case of obviousness of Claim 15.

Claim 26 adds limitations to specific time-based weighting of fees. The Office asserted that in *Hogan* "the product would have a fee associated with it." Claim 26, however, recites more than just "there is a fee." Claim 26 recites a specific, novel method of determining fees. There is no teaching or suggestion in any of the art of the determination of fees based on time and demand as recited in Claim 26. Accordingly, there is no *prima facie* case of obviousness of Claim 26.

**Rejection of Claims 24, 25, and 36-51 under 35 U.S.C. § 103(a) as obvious in view of *Hogan* and *Fox***

Claim 25 depends from Claim 25. Claims 36-51 share Claim 50 as a common parent claim. Applicant observes that the Office previously indicated that Claims 24, 25, and 50 were allowable. See Office Action mailed 11/26/2003, paragraph 6. On taking up an application for patent, the Office is required to make a thorough investigation of the available prior art relating to the subject matter of the claimed invention. See 37 CFR 1.104; MPEP 707. The examination shall be complete with respect both to compliance of the application or patent under reexamination with the applicable statutes and rules and to the patentability of the invention as claimed, as well as with respect to matters of form, unless otherwise indicated. See 37 CFR 1.104; MPEP 707. Rejecting a claim already noted as allowable is unusual, and should be done only after great care. See MPEP 706.04. The primary reference in the present rejection, *Hogan*, was considered by the Office in the earlier action. The other reference, *Fox*, was available before the mailing of the earlier action. Accordingly, Applicant submits that Claims 24, 25, and 50, and Claim 36-49 and 51 depending therefrom, have already been indicated as allowable over the cited art, and urges that the rejections be withdrawn.

The Office based its new rejection on a combination of *Hogan* and *Fox*. Applicant respectfully traverses the Office's characterization of *Fox* as analogous. *Fox* concerns an inventory management system – the management of a fixed number of assets, and a system to adjust prices to maximize the value of the inventory. *Fox* is concerned with the situation where there are a limited number of possible purchases, in contrast to Applicant's invention where the number of purchases is essentially unlimited (downloads do not reduce the number of downloads left for others, unlike in *Fox* where each purchase reduces the remaining

inventory). Accordingly, it would not have been obvious to apply Fox's inventory management system to a software distribution system like that in Applicant's claim.

Further, and not surprising given the fundamentally different applications, Fox does not teach or suggest the fee determination mechanism in Claims 24 and 50. Fox teaches adjusting the price of one product based on the demand (or remaining inventory) of that product. Fox has no teaching or suggestion of adjusting the price of one product based on the purchases of **another** product. In contrast, Claim 24 requires that "the fee is determined from an indication of the demand for the DSM, wherein the indication of demand increases with increasing number of downloads of the module, and decreases with increasing numbers of downloads of other modules from the pool." Claim 50 has a similar limitation. Claims 24 and 50 thus establish a fee for one module based on downloads of that module **and** on downloads of other modules. This limitation is not taught or suggested in the art, and accordingly there is no *prima facie* case of obviousness of Claims 24 and 50. Applicant submits that, as was previously indicated by the Office, Claim 24, and Claim 25 depending therefrom, and Claim 50, and Claims 36-49 and 51 depending therefrom, are in condition for allowance. See MPEP 2143.03; *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

Claims 25 and 51 add the limitation that the effects of the downloads of the subject module and of other modules change with elapsed time. There is no teaching or suggestion in the art of time-based weighting of demand for determining a fee. Accordingly, since the art does not teach or suggest all the limitations of Claims 25 and 51, there is no *prima facie* case of obviousness of Claims 25 and 51.

### Conclusion

Applicant has responded to each and every rejection and urges that the Claims as presented are in condition for allowance. Applicant requests expeditious processing to issuance.

Respectfully submitted,



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